Amendments to the Specification:

Please replace the paragraph on page 6, lines 6-18 with the following amended paragraph:

There are many ways to devise and apply a unique watermark to a program. Use of the SMPTE time code is preferred, though the invention is not limited to use with this code - other data streams in use on present programming, or which could be devised, including (but not limited to) a program's embedded audio data stream, might also be employed to carry the unique watermark. Some fifty years ago, the SMPTE designed an encrypted sub-code that piggybacks on SMPTE time code, referred to herein as the "user bits." User bits are accessed through a special window on a time code generator, or through specialized computer software in the case of digital video, and can be set before generating time code. Traditionally, user bits are a static number that is continuously generated while SMPTE code is running. The user bits cannot be changed unless one erases the SMPTE code entirely and prints new code. User bits are not seen unless one knows how to display them. Even so, they are always printed with the regular SMPTE code, even if they are not set to any particular value (today they are usually zeroes or gibberish).

Please replace the paragraph from page 8, line 18 - page 9, line 13 with the following amended paragraph:

The production company or other program owner/originator will examine their original video master program 102 to determine whether it is in an analog format such as motion

picture film or conventional video, or a digital format 104. Digital formats include such things as digitally coded video tape, film or analog tape transferred to computers through frame-grabbing/digitizing methods, or even scanned and digitized analog film frames. If the program is in an analog format (104=Analog), then it must be converted to a digital format 116 at this stage for subsequent analysis, although the original program can be maintained and distributed in analog format if so desired. If it is already digital (104=Digital), then it may have to be converted to a suitable digital format 106 for compatibility with this process. The digital video master is then assigned a unique numerical code (watermark), which is preferably programmed into the user bits portion of SMPTE time code 108. This is a desirable method because it is an industry standard with over 4 billion unique values. However other watermark numbering methods may be used without changing the nature of the present process. Each production company participating could be assigned a block of master code numbers as part of their contract with the registering authority, and they would be responsible for selecting one of them and assigning it to a given program at this point. As an alternative to programming the watermark into the SMPTE time code, the watermark could be encoded into an embedded audio data stream.